



Government Contracting: *The Basics*

FEB 2011

BE FAMILIAR WITH REGULATIONS

- Integrated Acquisition Environment (IAE)
Federal Acquisition Regulation (FAR)
Link to Agency Supplemental Regulations
<http://www.acquisition.gov>
<http://www.regulations.gov>
- Defense Federal Acquisition Regulation Supplement (DFARS)
<http://www.acg.osd.mil/dpap>
- Business Gateway Initiative (legal/regulatory info)
<http://www.business.gov>
- SBA Small Business Training Network (free courses)
<http://www.sba.gov/services/training/index.html> ☀

CONTRACT TYPES (FAR PART 16)

- Fixed-Price: sealed bidding or negotiated
- Cost-Reimbursement: negotiated only
- Various types, range from:
 - firm-fixed-price with contractor bearing most responsibility/risk for costs & profit to:
 - cost-plus-fixed-fee with contractor bearing less responsibility/risk for costs, and profit (i.e., fee) is fixed. ☀

SMALL BUSINESS SUBCONTRACTING

- A Small Business Subcontracting Plan is required:
 - From large businesses, when work is performed in U.S. (except for personal services)
 - Contracts or mods >\$550,000 (\$1M for construction), if subcontracting possibilities exist
- Must be approved before award
- Includes small business goals and designated Small Business Liaison Officer (SBLO)

SUBCONTRACTING OPPORTUNITIES

- FEDBIZOPPS "Interested Vendors" list & award announcements
- DefenseLink >\$5.5M award notices
- <http://www.defenselink.mil/contracts>
- Directory of Small Business Liaison Officers on DoD Contracts
http://www.acg.osd.mil/osbp/doing_business/index.htm
- SBA SUB-Net
<http://web.sba.gov/subnet> ☀

FEDBIZOPPS (FAR PART 5)

<http://www.fedbizopps.gov>

DoD and Federal contracting activities post *most* requirements and awards >\$25,000 to FEDBIZOPPS website

- Active or *archive* search by dates and/or:
 - Type of Notice
 - Solicitation or award number
 - Place of performance zip code
 - Set-aside type
 - NAICS/FSC/PSC
 - Key Words
 - Selected agencies
- Register for Vendor Notification Service by:
 - Specific solicitation number
 - Same selections as above
 - **All notices (caution: # of emails may overload mailbox)** ☀

CONTRACT METHODS *NOTE: Dollar thresholds change for contingency & commercial contracts.*

<\$3,000 (\$2,000 Davis Bacon; \$2,500 Svc Kt Act)	Micro-Purchase	<i>Not advertised</i>
≥\$3,000 (\$2,000 Davis Bacon; \$2,500 Svc Kt Act) ≤\$25,000	Simplified Acquisition Procedures (SAP)	<i>Not advertised (sometimes posted locally)</i> Oral or Request for Quotation (RFQ) <i>Normally</i> reserved for small business
>\$25,000 ≤\$150,000	SAP	Advertised in FEDBIZOPPS Oral or RFQ <i>Normally</i> reserved for small business set-aside
>\$150,000	Formal/Large Contract	Advertised in FEDBIZOPPS Invitation for Bid (IFB) or Request for Proposal (RFP) Set-aside <i>if</i> ≥ 2 capable 8(a)/HUBZone/SDVOSB/SB will submit offers @ fair market price

COMPETITION REQUIREMENTS (FAR PART 6)

Full and Open Competition: All responsible sources are permitted to compete.

Full & Open Competition After Exclusion of Sources: Establish or maintain alternative sources, 8 (a) competition, HUBZone/SD-VOSB/small business set-asides

Other than Full & Open Competition: Sole source, Urgency, Industrial mobilization, International agreement, Authorized or required by statute (includes 8(a), HUBZone, SD-VOSB), National security ☀

GOVERNMENT CONTRACTING: *THE BASICS*

BASIC SMALL BUSINESS PROGRAMS (FAR PARTS 19 & 26)

Small Business (SB) – Located in U.S., organized for profit, including affiliates is independently owned & operated, not dominant in field of operations in which it is bidding on Government contracts, AND meets Small Business Administration (SBA) size standards included in solicitation. Size standard is based upon the North American Industry Classification Standard (NAICS) assigned to the specific procurement dependent upon product/service purchased.

Woman-Owned Small Business (WOSB) – Small Business, at least 51% owned by one or more women, AND management & daily business operations controlled by one or more women.

Small Disadvantaged Business (SDB) – Small Business, unconditionally owned & controlled by one or more socially & economically disadvantaged individuals who are of good character & citizens of the U.S. and self-certified.

Small Disadvantaged Business 8(a) Certified (8(a)) – Small Business, SDB, SBA-certified into the 8(a) Business Development Program for a period of 9 years.

Historically Underutilized Business Zone (HUBZone) – Small Business, owned & controlled ≥ 51% by U.S. citizens, SBA-certified as a HUBZone concern (principal office located in a designated HUBZone & ≥ 35% of employees live in a HUBZone).

Veteran-Owned Small Business (VOSB) – Small Business, veteran-owned as defined in 38 USC101(2), ≥ 51% owned by one or more veterans, & management/daily operations controlled by one or more veterans.

Service-Disabled Veteran Owned Small Business (SDVOSB) – Small Business, veteran-owned, ≥ 51% owned by one or more service-disabled veterans, AND management & daily business operations controlled by one or more service disabled veterans OR in the case of veteran with permanent & severe disability, the spouse or permanent caregiver of such veteran, AND with 0% - 100% service-connected disability as defined in 38 USC 101(16) & documented on DD 214 or equivalent.

Historically Black colleges & Universities (HBCU)/ Minority Institutions (MI) – HBCU is an accredited institution established before 1964 whose principal mission is education of black Americans. MIs are institutions meeting requirements of Higher Education Act of 1965 and Hispanic-serving institutions defined at 20 USC 1059. The Secretary of Education must designate HBCUs/MIs. SEE LIST AT:

<http://www.ed.gov/about/offices/list/ocr/edlite-minorityinst.html> ☀

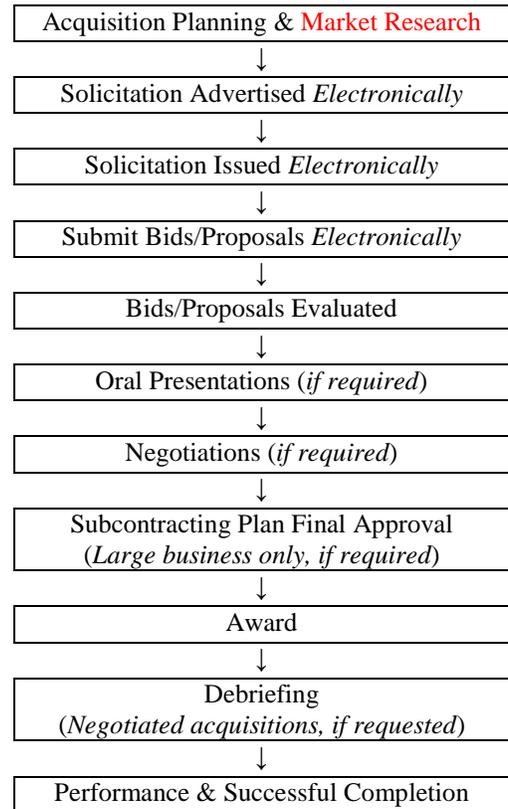
ARE YOU READY?

Do you know your North American Industry Classifications and the small business size standards for each? Do you know your FSC/PSC Codes? Do you have a DUNS Number? Do you have a Business Plan and Marketing Plan? Are you registered in the Central Contractor Registration? Do you have a quality Dynamic Small Business Search profile? Do you have a one page capabilities brief?

MAKE USE OF **FREE** RESOURCES!

See “Marketing to DoD: The Basics”

PROCESS for > \$100,000 ACTIONS



SMALL BUSINESS CERTIFICATIONS

Small Business	<u>Self-certify</u> Set-aside authority
Woman-Owned Small Business	<u>Self-certify</u> (may change)
Small Disadvantaged Business	<u>Self-certify</u> Set-aside authority <i>Limited</i> sole source authority
8(a) Small Disadvantaged Business	SBA-certified <i>Limited</i> sole source authority
HUBZone	SBA-certified Set-aside & <i>limited</i> sole source authority: 10% price evaluation preference may apply.
Service-disabled Veteran Owned SB	<u>Self-certify</u> Set-aside & <i>limited</i> sole source authority
Veteran Owned SB	<u>Self-certify</u>

SMALL BUSINESS FEDERAL POLICY (FAR 19.201):

It is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business...concerns. Such concerns must also have the maximum opportunity to participate as subcontractors...” [Emphasis added] ☀